# COMMUNICATION WORKERS OF AMERICA AFL-CIO AND TELVENT FARRADYNE INC.

#### (For Travlnfo Operations)

AGREEMENT between Telvent Farradyne Inc, having its project office at 111 Grand Avenue, Oakland, California (hereinafter "Telvent") and Communication Workers of America, AFL-CIO (hereinafter "CWA").

In consideration of the terms, covenants, and agreements contained herein, it is agreed as follows:

SECTION 1. Term of Agreement. This Agreement, which shall be known as the "CWA/Telvent, Inc. (TravInfo Operations) Agreement of 2008-2009," shall go into effect on July 1, 2008, and shall remain in force and effect to and including June 30, 2009. This Agreement will automatically be renewed for periods of one (1) year commencing July 1, 2009, and thereafter on the first day of July each year unless written notice is given by either party to the other at least sixty (60) days before the expiration date of a desire to amend or cancel this Agreement. If Telvent voluntarily transfers control over the Oakland TravInfo operations to another employer, the successor employer will be bound by all the terms of this Agreement.

SECTION 2. Nondiscrimination. CWA and Telvent affirm their intention to continue to adhere to and support a policy that affords equal employment opportunity to all qualified individuals. In accordance with this policy, there shall be no discrimination against any qualified individual based on race, creed, color, national origin, age, sex, sexual orientation, religion, disability or union activity. This principle is deeply held by the parties.

Whenever the masculine gender is used in this Agreement, it shall be understood to include the feminine gender.

<u>SECTION 3. Applicability and Exclusions.</u> This Agreement is applicable to all full-time and part-time Operators employed in the gathering, compiling, inputting and audio recording of traffic information employed at Telvent's Oakland facility (the "Covered Facility"). Such employees are hereinafter referred to as "Employees" or "Operators".

Excluded from the scope of this Agreement are independent contractors, supervisors, managerial personnel and non-operations personnel, provided that Telvent will not use independent contractors, supervisors, managerial personnel or non-operations personnel to displace existing bargaining unit members. In the event an emergency requires non-operations personnel to perform bargaining unit work as defined by this section, the non-operations personnel shall be paid no less than the applicable rates contained herein.

<u>SECTION 4. CWA as a Collective Bargaining Agent.</u> Telvent hereby, and without prejudice of the foregoing, recognizes CW A as the exclusive bargaining agent for all Employees (as defined above) employed by it at its San Francisco Bay-area TravInfo facility for the purposes of

collective bargaining with respect to wages, hours, and other terms and conditions of employment.

SECTION 5. Union Security. It is agreed during the term of this Agreement that Telvent with employ and maintain in its employment only such Employees covered by this Agreement who are members of CWA in good standing, of who shall make application for membership on the thirtieth (30th) day following the beginning of employment hereunder, or the date of execution of this Agreement, whichever is later; and thereafter maintain such membership in good standing as a condition of continued employment. For purposes of this section, "good standing" shall mean the payment of uniform initiation fees and periodic dues. CWA agrees that it will continue to be an open union and that it will keep its membership rolls open and will admit to membership all eligible Employees employed by Telvent.

SECTION 5.1. Telvent agrees that, upon receipt of a signed dues authorization deduction form approved by Telvent and CWA and signed by an employee covered by this Agreement it will deduct from employees' wages each paycheck the amount of CWA dues specified on said form and forward the amount deducted to CWA at the end of the following calendar month. The employee may revoke the form at any time, upon written request to Telvent's appropriate representative.

<u>SECTION 5.2.</u> In general, dues deductions will commence in the first scheduled pay period in the calendar month following receipt by Telvent of a signed and properly executed dues deduction authorization form. Telvent will make every effort to correct any errors or omissions in dues deductions and dues deduction authorizations.

SECTION 5.3. If Telvent fails to timely remit dues contributions as required by this section, CWA shall be entitled to interest in the amount of double the prime rate as published by the Wall Street Journal. In addition, if Telvent continues to fail to remit such contributions more that seven days after it has received a written notice from CWA complaining of the failure and quoting this Section in its entirety, it shall be liable to CWA in the amount of \$10 per day per affected employee until the failure is corrected.

SECTION 6. Admission to Covered Facility. Any officer or duly authorized representative of CWA shall be admitted to the Covered Facility at any reasonable time for the purpose of determining the maintenance of wages and working conditions hereunder; provided however that such officer or representative shall exhibit satisfactory evidence of his/her office or authority and provided further that admission to the Covered Facility shall not interfere with the conduct of Telvent's business. Any person so admitted shall comply with all rules and regulations of Telvent while at the Covered Facility and riot more than two (2) such persons shall be entitled to admission at the same time. CW A will provide at least one weekday's advance notice to Telvent of its intention to enter the Covered Facility.

## SECTION 7. Grievance Procedure and Arbitration.

- a. <u>Grievance Defined</u>. A grievance is defiled as an alleged breach of the terms and conditions of this Agreement. If any such grievance arises, it shall be submitted to the following grievance procedure:
- b. Notice to Management. The parties agree that grievances are most likely to be successfully resolved if filed promptly, and to that end, complaints must be submitted to Telvent within twenty-one (21) calendar days (fourteen (14) calendar days in the case of discharge or suspension) after the aggrieved party knows or reasonably should know of the facts giving rise to the alleged grievance. Employees and Telvent are responsible for knowing and understanding the terms and provisions of this Agreement. Failure to file the grievance within the above mentioned time period shall result in a mandatory dismissal of the grievance.
- c. <u>Step I.</u> In the event that an Employee at CW A should elect to initiate a grievance, it shall be presented in writing to Telvent, setting forth a summary of the factual background and how the provisions of this Agreement are alleged to be violated and the remedy sought.
- d. <u>Step II.</u> The parties shall meet within j reasonable time, but not more than twenty (20) days after the grievance has been filed, and attempt to resolve the grievance. Within fifteen (15) days of the final meeting, Telvent will provide CWA in writing with the settlement or, if there is no resolution, the reasons for denial. If the grievance is not resolved, CW A, within twenty (20) calendar days of receipt of the written denial, shall notify Telvent of its intent to submit the grievance to arbitration in accordance with the procedures specified below. Failure to submit the grievance to arbitration within this time period shall result in the mandatory dismissal of the grievance and any arbitration proceeding.
- e. <u>Step III.</u> Within seven (7) days after such demand for arbitration, the parties shall designate an arbitrator. If the parties cannot agree upon an arbitrator within the seven-day period, ah arbitrator shall be chosen pursuant to the procedures of the American Arbitration Association in provided, that the AAA shall provide the parties with a list of at least fifteen (15) names. The decision of the arbitrator shall be final and binding upon the parties. The decision of the arbitrator shall be made within thirty (30) days of the closing of the record.
- f. <u>Limitation on Authority</u>. The arbitrator shall have no authority to add to, subtract from or modify the terms of the Agreement. The arbitrator's sole authority shall be limited to determining whether the respondent has violated this Agreement as alleged, and if so, what the appropriate remedy should be.

Each party shall bear all costs of presenting its case to the arbitrator. The expenses of the arbitration shall be borne equally by the parties hereto.

The time limits set forth in this Section 7 may be extended by mutual consent of both parties in writing.

SECTION 8. Minimum Terms and Conditions. CW A and Telvent agree that the minimum terms and conditions that cover the employment of the Employees are those contained in this Agreement. Employees shall receive no less than minimum compensation, except for withholding deductions required by law. Telvent agrees that it will not enter into any contract with or employ any employees to perform bargaining unit work upon terms and conditions less favorable than those than set forth in this Agreement.

No waiver of any of this Agreement shall be sought by Telvent from the Employees, or be effective unless the written consent of CW A to such waiver is first obtained.

<u>SECTION 9. Non-Disclosure.</u> In consideration of employment, each covered Employee shall agree not to disclose confidential or proprietary information that pertains to the operations of Telvent.

#### **SECTION 10.** [Intentionally blank]

SECTION 11. Notice to Parties. It is hereby agreed that any document. demand, notice or service herein permitted or required may be made either by personal service, by facsimile with confirmation copy by certified mail, or by depositing the same in certified United States mail with postage fully prepaid, addressed to the respective parties at the following addresses: CWA Local 9415, 1831 Park Boulevard, Oakland, California 94606; Telvent Farradyne Inc, c/o Human Resources Department, 3206 Tower Oaks Blvd, Suite 400, Rockville, MD 20852, or at such other addresses as the respective parties may from time to time designate in writing. If any document, demand, notice or service is made by mail, five (5) days after the date of mailing shall be deemed to be the service date.

#### **SECTION 12**. [Intentionally blank]

SECTION 13. No Strike/No Lockout. CWA agrees that during the term of this Agreement, CWA members will perform their obligations hereunder, and will not strike against, picket, or boycott Telvent; nor shall Telvent lock out its Employees. A picket line set up by any lab6r organization shall not excuse any employee's absence from work.

#### **SECTION 14.** Management Rights.

- a. <u>All Rights Reserved, Except Those Expressly Relinquished</u>. It is expressly agreed that all rights which ordinarily are vested in and are exercised by employers such as Telvent, except such as are clearly relinquished herein by Telvent, are reserved to and shall continue to be vested in Telvent.
- b. <u>Illustrative Enumeration Of Rights.</u> Management rights shall include, this enumeration being merely by way of illustration and not by way of limitation, the rights to:
  - (1) Manage the operation and direct the working forces, including the right to hire and to suspend, discipline or discharge Employees for just cause;

- (2) Layoff or relieve Employees from duty because of lack of work or for other legitimate reasons, subject to the terms of this Agreement; I
- (3) Make such operating changes as are deemed necessary by it for the efficient and economical operation of the Covered Facility, including the right to change the normal work week, the number of hours normally worked during the work week, the length of the normal work day, the hours of work, the beginning and ending time of each shift o~ assignment, the technology utilized, and the number of shifts to be operated, subject 16 the terms of this Agreement; and/or
- (4) Determine the type and number of information reports to be given, the location of work within the Covered Facility, the schedules of reports, the schedules of work within the work period, and the methods, processes and means of preparing such reports and the conduct of other operations in the Covered Facility.
- (5) Promulgate and enforce reasonable rules of conduct, such as a professional dress code.

#### **SECTION 15. Definition of Employees.**

- a. <u>Full-Time</u>. Full-time Employees work on a normal schedule of at least forty (40) hours per work week. Full-time Employees shall receive vacation pay, sick pay, holidays, and severance pay according to the eligibility requirements of this Agreement.
- b. <u>Regularly Scheduled Part-Time</u>. Regularly scheduled part-time Employees work a regular schedule of at least twenty-four (24) hours per week, but less than forty (40) hours per week. Regular part-time Employees shall receive vacation pay, sick pay, and severance pay on a prorata basis.
- c. <u>Casual or Fill-In</u>. Casual or fill-in Employees are scheduled to work on an as-needed basis, L fill in for full-time and regularly scheduled part-time Employees. Such Employees receive no benefits.

Telvent shall not layoff full-time employees, or reduce their hours, for the primary purpose of increasing the ratio of part-timers to full-timers.

**SECTION 16.** <u>Probationary Employees</u>. All Employees who are hired by Telvent into the bargaining unit shall be subject to a probationary period of one hundred and twenty (120) calendar days. Probationary Employees shall be entitled to all Group Benefits, including accrual of vacation, holiday, sick pay.

During the probationary period, Telvent may discharge an Employee without recourse to arbitration.

SECTION 17. Minimum Call. Employees who are called in to work (fill-in for a full-time or

regularly scheduled part-time Employee) on their regularly scheduled day off shall receive a minimum call of four (4) hours. In no event shall any scheduled shift be less than four (4) hours.

#### SECTION 18. Workday/Workweek.

- a. Employees shall be paid for all overtime work at the applicable premium rate required by law. There will be no layering of overtime (e.g., overtime pay for any hour shall not require any additional payment for that hour).
- b. <u>Meal/Rest Periods</u>. Employees, at the Employee's option, shall receive either a one (1) hour paid meal break, which shall be, whenever practicable, within the middle three (3) hours of his/her shift; or a one-half (1/2) hour paid meal break, which shall be, whenever practicable, within the middle three (3) hours of his/her shift, and two fifteen-minute paid breaks. In the event that, in Telvent's judgment, an emergency makes these breaks impractical on a particular shift, additional time off of equal duration shall be provided as soon as practical to the Employees who missed them
- c. <u>Days Off.</u> For full-time Employees, the regularly scheduled workweek shall consist of five (5) consecutive days with two (2) consecutive days off. An Employee may volunteer to work a different schedule if he or she so desires; provided, that there shall be no discrimination or retaliation against any employee who declines to work a different schedule.
- d. <u>Schedules</u>. Workweeks cannot be joined so as to require regularly scheduled days beyond five (5) consecutive days.
- SECTION 19. Short Turn-Around. Employees required to work within ten (to) hours of the prior day's shift shall be paid overtime rates for each hour worked within such ten (10) hour period. The two (2) consecutive days off each week shall comprise a period of at least fifty-eight (58) hours elapsed between the ending of the last assignment on the day prior to the day off, an the next assignment at the conclusion of the off period. Employees required to work within such fifty-eight (58) hour period shall be paid overtime rates for each hour worked within such period.

SECTION 20. Notice of Shift Change; Filling Vacant Shifts. Except in cases of emergency, Telvent must give an Employee at least forty-eight (48) hours' notice of a change of days off of shift hours. Telvent must post a work schedule three (3) weeks in advance.

All employees will receive notice within two weeks of the time that a shift becomes permanently vacant. Employees will have two weeks after the giving of the notice to notify Telvent in writing that they would like to switch to the vacant shift. Within six weeks of the giving of the notice, the vacant shift will be given to the most senior employee who requests it and who, in Telvent's reasonable judgment, is qualified for the work of that shift. No employee may request a change in shift more often than once in a six-month period, unless Telvent and CWA jointly agree to give the employee permission to do so.

Whenever CWA and Telvent so agree, all employees will express their first, second, and

third choices of all shifts, and employees will be granted shifts according to their preference, by seniority; provided, that Telvent may prevent an employee from working on a shift if in its reasonable judgment the employee is not qualified for the work of that shift.

Telvent reserves the right to change the times of the various shifts at its discretion, after Consultation with CWA.

<u>SECTION 21. Split Shift.</u> All regularly scheduled shifts shall consist of contiguous hours. There shall be no split shifts.

SECTION 22. Exchanges of Shifts. Employees may exchange shifts with the prior permission of management. Requests must be submitted at least 48 hours before the first shift to be exchanged. Management shall retain the sole discretion to determine whether to permit an exchange of shifts. For purposes of Sections 18, 19, 20, 21, and all other applicable sections 6f this Agreement, the Employee's shift shall be considered to be the shift that the Employee was scheduled to work before the exchange in shifts.

<u>SECTION 23.</u> <u>Vacation</u>. Telvent will grant paid vacations to each full-time and regular part-time Employee at the completion of the probationary period (as defined in Section 16 herein) in accordance with the following schedule.

# Length of Continuous Service with Telvent on the the TravInfo® Project

Less than 1 year

1.25 days per month

1 - 5 years

15 days per year, excluding overtime

5 - 15 years

20 days per year, excluding overtime

Over 15 years

25 days per year, excluding overtime

Employees who wish to exercise seniority in the scheduling of vacations must notify Telvent of planned vacations not later than April 1 of each year. Telvent shall no later than May 1 of each year schedule vacations giving due consideration to such requests; however, no more than one (1) full-time and one (1) part-time Employee may schedule a vacation at any one time, and preference in approving such vacation shall be based on employee seniority. Employees may request vacations at other times of year, with at least one month's notice, and such requests shall be granted on a first-come, first-served basis, in accordance with Telvent's scheduling needs. Up to three times per year, an Employee may request permission to use a vacation day on only 72 hours' notice. Vacation pay will be based upon weekly salary set out in Section 26 herein for the Employee's classification. Vacation days for the year are available to the employee starting on January 1 of each calendar year. Vacations must be taken during the calendar year in which they

are earned. Employees may not carry over vacation hours from one calendar year to the next, unless approved in advance. If approved, the carried over vacation hours must be used by March 31 of the year following the year in which the vacation hours are earned. If an employee terminates, his/her vacation payout will be based on the number of months worked. Credit will be given for the entire month for employees terminating after the 15<sup>th</sup> of the month. At termination, employees will receive pay for any earned, unused vacation. If the employee voluntarily resigns and has taken more vacation than accrued through their last day of employment, the amount of vacation taken over the accrued amount will be deducted from his/her final paycheck.

For purposes of vacation, placement on the schedule above shall be based upon the continuous total of past service with Telvent or on the TravInfo® project.

<u>SECTION 24.</u> <u>Holidays.</u> Recognized under this Agreement shall be; New Year's Day, Martin Luther King, Jr.'s Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, Christmas Day, and two (2) additional holidays that will be determined in the 4<sup>th</sup> quarter of the preceding year.

If any of the above-recognized holidays fall on a full-time Employee's regularly scheduled workday, and he/she is not scheduled to work that day, the Employee shall receive one day's pay for that day (as set out in Section 26). If the full-time Employee is scheduled to work on a recognized holiday he/she shall receive, at the Employee's option:

- (1) An additional one day's pay; or
- (2) A day off with pay to be granted at a mutually agreeable time.

The immediately preceding option shall also apply if a holiday falls on a day that the full-time Employee would normally be scheduled, but is not scheduled to work because the Employee is on vacation.

Any part-time or casual employee who works on one of the recognized holidays shall receive one day's pay in addition to the regular straight-time pay for that day.

SECTION 25. Sick Leave. Regular Employees are eligible for 7 sick leave days each calendar year and each day of sickness absence is deducted from the 7 day total. Employees hired within the calendar year will receive sick days on a pro-rated schedule as per policy. In order to receive sick leave pay, an employee must give at least two hours' notice of the absence. As a condition for permitting sick leave to be used, Telvent may require an employee to provide a doctor's note confirming the illness for any absence of three or more consecutive work days, or for any absence that is the third absence in a seven-day period.

If Telvent has determined that an Employee's pattern of absences has been suspicious (e.g., a pattern of absences adjacent to days off, or on days for which vacation leave has been denied),

Telvent may place the Employee on restricted sick leave status for a period of up to 52 weeks. Before placing an Employee on restricted sick leave status, Telvent shall meet with the Employee and CWA, and shall give the Employee an opportunity to improve. During such period of restricted sick leave status, Telvent may require the Employee to provide a doctor's note to confirm the reason for any sick leave absence. No more than two employees may be on restricted sick leave status at a time.

#### SECTION 26. Wages.

Wages shall be as follows.

Effective January 1, 2008:

.70 per hour
.48 per hour
.77 per hour
.07 per hour
.34 per hour
.83 per hour

Effective January 1, 2009:

Step 1- For employees hired after 2008:	\$17.12 per hour
Step 2- For employees on Step 1 in 2008:	\$17.92 per hour
Step 3- For employees on Step 2 in 2008:	\$18.21 per hour
Step 4- For employees on Step 3 in 2008:	\$18.52 per hour
Step 5- For employees on Step 4 in 2008:	\$18.80 per hour
Step 6- For employees on Steps 5 or 6 in 2008:	\$19.58 per hour

Telvent may place new hires on a step higher than Step 1 if their work experience so warrants; provided, that any current employee with the identical type and length of work experience will be placed on a step at least as high.

b. <u>Overtime</u>. When required by Section 18 of this Agreement, overtime shall be paid at time and one-half of the Employee's regular hourly rate.

SECTION 27. Group Benefits. Regular employees shall be eligible in Telvent's Group Benefits which include Medical and Dental Plans, 401k Retirement Savings Plan, Vision Discount Program, Insurance Programs (Life, AD&D, and Travel), Supplemental Life Insurance (employee paid), Short-term and Long-term Disability Plans, Flex Spending Accounts, on the same terms as were available in January of 2008, and with the same employee eligibility and contribution requirements. The terms of these plans may change only if and to the extent that they change for all comparable unrepresented United States employees of Telvent Farradyne Inc.

<u>SECTION 28. Duties</u>. Duties of Employees shall include, but not be limited to, the following: gathering, compiling, inputting and audio recording of traffic information at Telvent's Oakland facility (the "Covered Facility"). Telvent may utilize computers and other mechanical devices to perform some or all of these functions.

<u>SECTION 29. Seniority</u>. An employee's seniority shall be defined as length of continuous employment with Telvent, and will be measured from the last date of hire. Ties will be broken first by the original date of hire with TravInfo, and then by alphabetical order.

## SECTION 30. Discharge, Layoff and Rehiring.

a. Telvent shall have the right to suspend, discharge or otherwise discipline any employee for just cause and shall give notice in writing to the employee and to the Union stating the reasons for such disciplinary action. Employees shall have access to all documents maintained in their own personnel file upon reasonable request. The fun grievance machinery of this Agreement shall be available to the Union with respect to any disciplinary action.

b. Layoffs caused by a reduction in staff shall be made in inverse order of seniority among Employees beginning with the last Employee hired; provided, that if one or more Employees lacks a needed skill or is unwilling to work a necessary shift, layoffs shall be made in reverse order of seniority among those Employees lacking the needed skill or unwilling to work the needed shift. For purposes of this paragraph, part-timers will be considered to be less senior than full-timers. Any arbitral review of Telvent's determination of whether an Employee lacks a needed skill shall be on the "arbitrary and capricious" standard.

Two (2) weeks' notice of layoff shall be given to Employees, or in lieu of such advance notice, two (2) weeks' salary, prorated if some advance notice is given.

c. Telvent shall maintain a rehire list of all Employees who have all needed skills and who have more than six (6) months of seniority at the time of a layoff. All rehiring shall be from the rehire list beginning with the Employee with the greatest seniority until such list is exhausted. An eligible Employee's name must be retained on the rehire list for a period of twelve (12) months following the date of layoff. The twelve (12) month period shall be computed starting the day following the last day worked. The rehire list shall be exhausted when all employees on it have been on such rehire list more than twelve (12) months, have been rehired full-time or part-rime, or to the knowledge of the Union have been proffered rehire and have refused or not accepted the offer of rehire after more than fourteen (14) days from the date of mailing of a registered letter of notification to the last address on file with the Union. It shall be the responsibility of the Employee involved to keep the Union and Telvent informed of his correct address.

An employee accepting an offer of rehire shall have seven (7) days before he/she must appear for work. Telvent shall have no further obligation to any Employee laid off for reduction of staff after twelve (12) months have elapsed from the date of layoff.

d. An Employee who is laid off by Telvent due to a reduction in force shall receive severance pay equal to one (1) week's pay at his or her minimum weekly salary for each full year of employment at Telvent, provided that the employee continues to work through the effective

date of the layoff and signs a release of claims in favor of Telvent. Regularly scheduled parttime Employees shall be entitled to severance pay on a pro-rata basis. This paragraph shall not apply if Telvent's contract with MTC to operate the TravInfo service has been cancelled or terminated.

SECTION 31. Jury Duty. An Employee shall receive full pay for up to two calendar weeks of jury duty, when proof of service is provided. In order to receive this pay, the Employee must try to the extent permitted to schedule his/her jury duty to a time less inconvenient for Telvent. As soon as the Employee receives notice of the jury duty, the Employee shall notify his or her supervisor, so that any such rescheduling, or an excuse from service, can be requested from the court. During jury service, the Employee's hours of work shall be changed to coincide with the obligatory jury duty assignment. The Employee shall report to work for any day or partial day that he or she can, consistent with the court's requirements. During jury service the Employee shall inform his/her supervisor of the status of his /her service at least once each day.

<u>SECTION 32.</u> <u>Serious Illness/Disability</u>. In the event of serious illness or disability of an Employee, or the birth or adoption of a child, Telvent shall follow the requirements of the state and federal Family and Medical Leave Acts.

<u>SECTION 33. Bereavement Leave</u>. Full-time and regularly scheduled part-time Employees who are absent from work due to a death in their immediate family shall receive their regular rate of pay up to a total of three (3) consecutive calendar days. Immediate family is defined to include children, parents, siblings, spouse, mother-in-law, father-in-law, registered domestic partner, children of registered domestic partner, grandparents and grandchildren.

<u>SECTION 34.</u> <u>Staff Meetings.</u> Staff meetings which are held outside an Employee's regularly scheduled shift shall be considered paid work time with a two (2) hour minimum call.

<u>SECTION 35. New Hire Information.</u> Telvent shall provide to CWA within thirty (30) days of a new Employee's hire hereunder the Employee's name, classification (including full- or part-time), address, social security number, and rate of pay.

IN WITNESS WHEREOF, the parties have caused these presents to be executed by their officers, duly authorized, this 2008.

TELVENT FARRADYNE INC.,

By The The By 15 September 2008

COMMUNICATION WORKERS OF AMERICA

By September 18, 2008